

AMENDED IN ASSEMBLY SEPTEMBER 2, 2005

AMENDED IN SENATE MAY 27, 2005

AMENDED IN SENATE APRIL 12, 2005

AMENDED IN SENATE MARCH 29, 2005

SENATE BILL

No. 521

Introduced by Senator Torlakson
(Coauthor: Assembly Member Jones)

February 18, 2005

An act to amend Sections 65460.2 and 65460.4 of the Government Code, and to amend Sections 33031 and 33320.1 of, and to add Section 33032 to, the Health and Safety Code, relating to transit village plans.

LEGISLATIVE COUNSEL'S DIGEST

SB 521, as amended, Torlakson. Local planning: transit village plans.

The Transit Village Development Planning Act of 1994 authorizes a city or county to prepare a transit village plan for a transit village development district that includes all land within not more than $\frac{1}{4}$ mile of the exterior boundary of the parcel on which is located a transit station, as defined, and addresses specified characteristics, including a neighborhood centered around a transit station and a mix of housing types, including apartments, that is planned and designed, as specified, and any 5 of demonstrable public benefits that reduce traffic congestion.

The Community Redevelopment Law specifies both the physical and economic conditions that cause blight.

This bill would require a transit village plan to include a transit station and a parcel, at least $\frac{1}{2}$ of which is within not more than $\frac{1}{4}$ mile of the exterior boundary of the parcel on which the transit station is located or parcels located in an area equal to the area encompassed by a $\frac{1}{4}$ mile radius from the exterior boundary of the parcel on which the station is located.

The bill would, additionally, define an economic condition of blight for purposes of the Community Redevelopment Law to include the lack of high density development within a transit village development district and would specify requirements to be met by a local agency that relies on this condition to redevelop a project area that is also a transit village development district.

The bill would require the redevelopment agency to submit the proposed redevelopment plan ordinance to the California Infrastructure and Economic Development Bank for review and approval and would prohibit the bank from approving new project areas pursuant to these provisions after December 31, 2012, and from approving more than 25 project areas statewide. The bill would exempt this project area from the requirement that it be characterized as predominantly urbanized if the California Infrastructure and Economic Development Bank makes a specified finding as part of its approval of the redevelopment plan ordinance.

The bill would require the redevelopment agency to procure an independent study on compliance with these provisions and the effectiveness of the project area in fulfilling the intent and substance of the Transit Village Planning Development Act. The bill would require the study to be submitted to the Legislature and the California Infrastructure and Economic Development Bank by December 31, 2011.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 65460.2 of the Government Code is
- 2 amended to read:
- 3 65460.2. A city or county may prepare a transit village plan
- 4 for a transit village development district that addresses the
- 5 following characteristics:

1 (a) A neighborhood centered around a transit station that is
2 planned and designed so that residents, workers, shoppers, and
3 others find it convenient and attractive to patronize transit.

4 (b) A mix of housing types, including apartments.

5 (c) Other land uses, including a retail district oriented to the
6 transit station and civic uses, including day care centers and
7 libraries.

8 (d) Pedestrian and bicycle access to the transit station, with
9 attractively designed and landscaped pathways.

10 (e) A transit system that should encourage and facilitate
11 intermodal service, and access by modes other than single
12 occupant vehicles.

13 (f) Demonstrable public benefits beyond the increase in transit
14 usage, including any five of the following:

15 (1) Relief of traffic congestion.

16 (2) Improved air quality.

17 (3) Increased transit revenue yields.

18 (4) Increased stock of affordable housing.

19 (5) Redevelopment of depressed and marginal inner-city
20 neighborhoods.

21 (6) Live-travel options for transit-needy groups.

22 (7) Promotion of infill development and preservation of
23 natural resources.

24 (8) Promotion of a safe, attractive, pedestrian-friendly
25 environment around transit stations.

26 (9) Reduction of the need for additional travel by providing for
27 the sale of goods and services at transit stations.

28 (10) Promotion of job opportunities.

29 (11) Improved cost-effectiveness through the use of the
30 existing infrastructure.

31 (12) Increased sales and property tax revenue.

32 (13) Reduction in energy consumption.

33 (g) Sites where a density bonus of at least 25 percent may be
34 granted pursuant to specified performance standards.

35 (h) Other provisions that may be necessary, based on the
36 report prepared pursuant to subdivision (b) of former Section
37 14045, as enacted by Section 3 of Chapter 1304 of the Statutes of
38 1990.

39 SEC. 2. Section 65460.4 of the Government Code is amended
40 to read:

65460.4. A transit village development district shall include a transit station and may include either of the following:

(a) Any contiguous or noncontiguous parcel, at least one-half of which is located within one-quarter mile of the exterior boundary of the parcel on which the station is located.

(b) Any contiguous parcels located in an area equal to the area encompassed by a one-quarter-mile radius from the exterior boundary of the parcel on which the station is located.

SEC. 3. Section 33031 of the Health and Safety Code is amended to read:

33031. (a) This subdivision describes physical conditions that cause blight:

(1) Buildings in which it is unsafe or unhealthy for persons to live or work. These conditions can be caused by serious building code violations, dilapidation and deterioration, defective design or physical construction, faulty or inadequate utilities, or other similar factors.

(2) Factors that prevent or substantially hinder the economically viable use or capacity of buildings or lots. This condition can be caused by a substandard design, inadequate size given present standards and market conditions, lack of parking, or other similar factors.

(3) Adjacent or nearby uses that are incompatible with each other and which prevent the economic development of those parcels or other portions of the project area.

(4) The existence of subdivided lots of irregular form and shape and inadequate size for proper usefulness and development that are in multiple ownership.

(b) This subdivision describes economic conditions that cause blight:

(1) Depreciated or stagnant property values or impaired investments, including, but not necessarily limited to, those properties containing hazardous wastes that require the use of agency authority as specified in Article 12.5 (commencing with Section 33459).

(2) Abnormally high business vacancies, abnormally low lease rates, high turnover rates, abandoned buildings, or excessive vacant lots within an area developed for urban use and served by utilities.

1 (3) A lack of necessary commercial facilities that are normally
2 found in neighborhoods, including grocery stores, drug stores,
3 and banks and other lending institutions.

4 (4) Residential overcrowding or an excess of bars, liquor
5 stores, or other businesses that cater exclusively to adults, that
6 has led to problems of public safety and welfare.

7 (5) A high crime rate that constitutes a serious threat to the
8 public safety and welfare.

9 (6) Lack of high density development within a transit village
10 development district adopted pursuant to Article 8.5
11 (commencing with Section 65460) of Chapter 3 of Title 1 of
12 Division 7 of the Government Code.

13 SEC. 4. Section 33032 is added to the Health and Safety
14 Code, to read:

15 33032. If an agency seeks pursuant to subdivision (b) of
16 Section 33031 to demonstrate the economic conditions that cause
17 blight by relying on the lack of high density development within
18 a transit village development district pursuant to paragraph (6) of
19 that subdivision, all of the following requirements shall be met:

20 (a) The project area shall include a rail transit service provided
21 by one of the following agencies:

22 (1) Caltrain, as defined in Section 99602 of the Public Utilities
23 Code.

24 (2) Capitol Corridor Joint Powers Authority.

25 (3) Los Angeles County Metropolitan Transit District.

26 (4) North San Diego County Transit District.

27 (5) San Diego Metropolitan Transit Development Board and
28 its subsidiaries.

29 (6) Sacramento Regional Transit District.

30 (7) San Francisco Bay Area Rapid Transit District.

31 (8) San Francisco Municipal Railway.

32 (9) San Joaquin Regional Rail Commission.

33 (10) Santa Clara Valley Transportation Agency.

34 (11) Southern California Regional Rail Authority.

35 (b) The project area shall include a rail transit station and may
36 include either of the following:

37 (1) Any contiguous or noncontiguous parcel, at least one-half
38 of which ~~are~~ *is* located within one-quarter mile of the exterior
39 boundary of the parcel on which the station is located.

(2) Any contiguous parcels located in an area equal to the area encompassed by a one-quarter-mile radius from the exterior boundary of the parcel on which the station is located.

(c) The community shall adopt a transit village plan pursuant to the Transit Village Development Planning Act of 1994, Article 8.5 (commencing with Section 65460) of Chapter 3 of Division 1 of Title 7 of the Government Code, that covers the same area, and the transit village plan shall permit a significantly higher density of development than the development that currently exists in the area.

(d) Notwithstanding any other section, if the California Infrastructure and Economic Development Bank finds, as part of its approval pursuant to subdivision (f), that the property within the transit village development district cannot reasonably be expected to be developed for the uses and at the densities established by the transit village plan by private enterprise or government action, or both, without redevelopment, a project area subject to this section is not required to be characterized as predominantly urbanized, as that term is defined in subdivision (b) of Section 33320.1.

(e) The regional transit provider that operates the rail transit station shall adopt a resolution approving the proposed project area.

(f) (1) The agency shall submit the proposed ordinance to the California Infrastructure and Economic Development Bank for review and approval. The bank may circulate the proposed ordinance to other state agencies, including, but not limited to, the Department of Finance, the Department of Housing and Community Development, and the Office of Planning and Research, and solicit their comments and recommendations. After considering the comments and recommendations of other state agencies, the bank shall take one of the following actions:

(A) Approve the proposed redevelopment plan if the bank makes a finding, based on substantial evidence in the record, that the proposed redevelopment plan is consistent with both the requirements of this section, Section 33030, and with the state planning priorities in Section 65041.1 of the Government Code.

(B) Return the proposed redevelopment plan to the agency with specific recommendations for changes that would allow the bank to approve the plan.

(2) The bank shall have 30 days from the receipt of the proposed redevelopment plan to act pursuant to paragraph (1). If the bank does not act within 30 days, the proposed redevelopment plan shall be deemed approved.

(3) The bank shall not approve more than 25 areas statewide pursuant to this section and shall not approve any new project area pursuant to this section after December 31, 2012.

(g) (1) The agency shall expend, within the project area, all funds that are derived from the project area and deposited in the Low and Moderate Income Housing Fund.

(2) The agency shall meet any replacement housing obligation pursuant to Section 33413 within the project area.

(h) For the purposes of pooling housing funds pursuant to Section 33334.25, the agency may act as a “receiving entity.”

(i) The agency shall not initiate eminent domain proceedings to take owner-occupied residential property for private use within the project area.

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(j) The agency shall procure an independent study to document compliance with this section and the effectiveness of the project area in fulfilling the intent and substance of the Transit Village Planning Development Act. Notwithstanding Section 7550.5 of the Government Code, the study shall be presented to the Legislature and the California Infrastructure and Economic Development Bank by December 31, 2011.

SEC. 5. Section 33320.1 of the Health and Safety Code is amended to read:

33320.1. (a) “Project area” means, except as provided in Section 33032, 33320.2, 33320.3, 33320.4, or 33492.3, a predominantly urbanized area of a community which is a blighted area, the redevelopment of which is necessary to effectuate the public purposes declared in this part, and which is selected by the planning commission pursuant to Section 33322.

(b) As used in this section, “predominantly urbanized” means that not less than 80 percent of the land in the project area:

(1) Has been or is developed for urban uses; or

(2) Is characterized by the condition described in paragraph (4) of subdivision (a) of Section 33031; or

(3) Is an integral part of one or more areas developed for urban uses which are surrounded or substantially surrounded by parcels

1 which have been or are developed for urban uses. Parcels
2 separated by only an improved right-of-way shall be deemed
3 adjacent for the purpose of this subdivision.

4 (c) For the purposes of this section, a parcel of property as
5 shown on the official maps of the county assessor is developed if
6 that parcel is developed in a manner which is either consistent
7 with zoning or is otherwise permitted under law.

8 (d) The requirement that a project be predominantly urbanized
9 shall apply only to a project area for which a final redevelopment
10 plan is adopted on or after January 1, 1984, or to an area which is
11 added to a project area by an amendment to a redevelopment
12 plan, which amendment is adopted on or after January 1, 1984.